

BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

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POSTAL RATE AND FEE CHANGES, 1997

Docket No. R97-1

REPORT OF THE UNITED STATES POSTAL SERVICE
ON STATUS OF ITS REVIEW OF SPECIAL SERVICES
AND THEIR DMCS PROVISIONS
(December 29, 1998)

In its May 11, 1998 Opinion and Recommended Decision on Docket No. R97-1, the Commission discussed its interest in improving the clarity, consistency, and organization of the Domestic Mail Classification Schedule (DMCS) provisions for the special services. PRC Op., R97-1, Vol. 1, at 609-12. During the proceeding, the Commission issued Notice of Inquiry No. 2 (November 19, 1997) to obtain participants' views on certain organizational and editorial improvements in this part of the DMCS. In response, the Postal Service informed the Commission that the Postal Service is reviewing many of its special services, and would like to defer consideration of the changes proposed in Notice of Inquiry No. 2 until after this review is completed, and its impact on the DMCS could be evaluated. Response of United States Postal Service to Notice of Inquiry No. 2, at 7-8 (December 19, 1997). The Commission therefore requested the Postal Service to:

submit to the Commission, within six months following the date of the Governors' decision in this proceeding, a report on the status of its review of the Special Services and an estimate of the date by which the Service will be prepared to consider or propose appropriate changes that will substantially improve the Special Services section of the DMCS.

PRC Op., R97-1, Vol. 1, at 611.

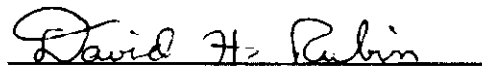
The Postal Service's review of the special services includes an evaluation of how to clarify and update the pertinent DMCS sections. Current plans are to develop a proposal for a comprehensive set of improvements to the special services sections of the DMCS, to be presented for management and Board of Governors review within the next six months.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

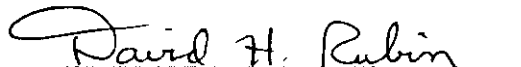
By its attorneys:

Daniel J. Foucheaux, Jr.
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David H. Rubin

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.


David H. Rubin

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